Saskatchewan
Grain Car
Corporation

Annual Report
2002/2003

Quick Facts

Quick Facts about the Saskatchewan Grain Car Corporation

as of July 31, 2003

Corporation Established	Oct. 2, 1979
Office	Regina

Board of Directors

Mark Wartman, Minister responsible for the Saskatchewan Grain Car Corporation
Clay Serby, Minister of Agriculture, Food and Rural Revitalization
Harvey Brooks, Deputy Minister of Highways and Transportation
Gord Nystuen, Deputy Minister of Agriculture and Food

Corporation Staff

Bernie Churko, General Manager
Kelly Moskowy, Manager of Fleet and Administrative Services
Tim Shoulak, Manager of Corporate Planning
Shannon Lindholm, Corporate Analyst

Fleet

Cars in service	951
Cars allocated to CN (SKNX 397000-397476)	454
Cars allocated to CP (SKPX 625000-625522)	497
Cars destroyed to date	49
Car volume	128.8 m3 (4550 ft3)
Car capacity	91 000 kg (201,000 lbs)
Load limit	91 250 kg (201,200 lbs)
Weight (empty)	28 050 (61,840 lbs)
Material	Steel
Lining	Epoxy
Dates built	February, 1981 October, 1981

Governing Legislation & Lease Agreements

The Saskatchewan Grain Corporation Act
Operating Agreement with CN, CP, and CWB
Alternate Use Agreement with CN and CP

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Letter of Transmittal

Minister of
Highways and
Transportation

SASKATCHEWAN

Legislative Building
Regina, Saskatchewan S4S 0B3
(306) 787-6447

October 31, 2003

To Her Honour
The Honourable Dr. Lynda M. Haverstock
Lieutenant-Governor of the
Province of Saskatchewan

I have the honour to submit herwith the 24th Annual Report of the Saskatchewan Grain Car Corporation for the year ending July 31, 2003 in accordance with the Saskatchewan Grain Car Corporation Act. The Financial Statements are in the form approved by Treasury Board and have been duly certified by auditors for the Corporation.

Respectfully submitted,

Mark Wartman
Minister Responsible for the
Saskatchewan Grain Car Corporation

General Manager's Message

Saskatchewan Grain Car Corporation

Office of the General Manager
810-1801 Hamilton Street
Regina, Canada S4P 4B4

October 31, 2003

Honourable Mark Wartman
Chairman of the Board

Honourable Mark Wartman

As General Manger of the Saskatchewan Grain Car Corporation, I am pleased to present the Annual Report for the fiscal year ending July 31, 2003. SGCC ensured that its cars were available for movement of western grains when required while earning record level revenues.

Alternate use revenues reached an all time high in the 2002/03 fiscal year. This is a significant accomplishment for the SGCC considering the poor crop year in many areas of western Canada along with the over abundance of hopper cars in the market place. Despite these obstacles, management worked with the railways to ensure maximum utilization of the SGCC hopper car fleet. One of the main reasons for sustaining the alternate use revenues in the 2002/03 fiscal year was an agreement signed with CPR to transport potash during a down period of grain movements.

The SGCC provides producers with advisory services respecting all aspects of producer car loading, and grain logistics. The goal of these services is to reduce overall grain handling costs to producers that choose to exercise this right, maintain local loading facilities and reduce road damage resulting from trucking grain longer distance. A farmer can save approximately $1000 per car for every car shipped in this manner.

SGCC, in conjunction with the Saskatchewan Association of Rural Municipalities and the Saskatchewan Urban Municipalities Association organized a Producer Car Loading conference in April 2003 aimed at providing farmers with detailed information regarding the positives and potential risks of using producer cars to ship grain. As a result of the positive feedback received from this conference, a decision was made to develop a Best Practices manual. It will cover all aspects of the producer car process from taking proper grain samples of each bin, to ordering cars and how to address unforeseen issues that might arise. To develope this manual a committee has been struck consisting of membership from SGCC, SARM, Canadian Wheat Board, Canadian Grain Commission, a short line railway representative, a representative from the producer car shipping community and the Canadian Transportation Agency.

As a board member of West Central Road & Rail Ltd (WCRR) SGCC participated in new developments in the area of grain logistics. WCRR currently has two producer car loading facilities utilizing modern logistics practices—the original facility in Eston and a second facility in Laporte. For the past year, on average, producers saved approximately $20 per tonne by utilizing these facilities. Another successful share offering in the Beachy/Lucky Lake area will result in the construction of two modified versions of the original concept. These staged construction versions will permit direct loading into hopper cars. SGCC and WCRR will continue to work together on preparing a strategic plan to role out the producer car loading facility concepts to other areas of the province.

The Corporation continued its support for the Farmer Rail Car Coalition Inc. (FRCC) and their bid to acquire the 13,000 Federal hopper cars. The Corporation provided technical advisor support and financial assistance to the FRCC in their preparation of a Business Plan and Financial Plan and also assisted in presenting the material to the federal government, industry officials and producers throughout the year. The FRCC continued to expand its membership and gain support throughout the Prairie Provinces. SGCC believes that FRCC ownership of the Federal hopper car fleet will ensure modern car capacity in the long term at the lowest cost to farmers.

The Corporation's staff participated in the case filed by the North Dakota Wheat Commission (NDWC) and the U.S. Durum Growers Association seeking anti-dumping and countervailing duties of imports of both durum and hard spring wheat from Canada. Despite the evidence supplied, a 0.35% countervailing duty has been imposed attributable to government owned hopper cars. SGCC will continue to work with legal counsel as further developments arise in the case. The countervailing duty is expected to have a significant negative impact on future alternate use revenues to SGCC from movements into the US.

I'm very proud of the continued positive impact the Corporation has had on Saskatchewan agriculture. As we embark on another year, I feel confident that the Corporation's staff will continue to make a difference in improving grain handling and transportation in Saskatchewan.

Bernie Churko
General Manager

Corporate Profile

Profile

In 1981, the Government of Saskatchewan made a strategic investment of approximately $55,000,000 in Canada's grain transportation system by purchasing 1,000 covered hopper cars for the movement of export grain grown by western producers. This investment led to the development of the Saskatchewan Grain Car Corporation (SGCC) a Treasury Board Crown Corporation operating under the authority of the Saskatchewan Grain Car Corporation Act.

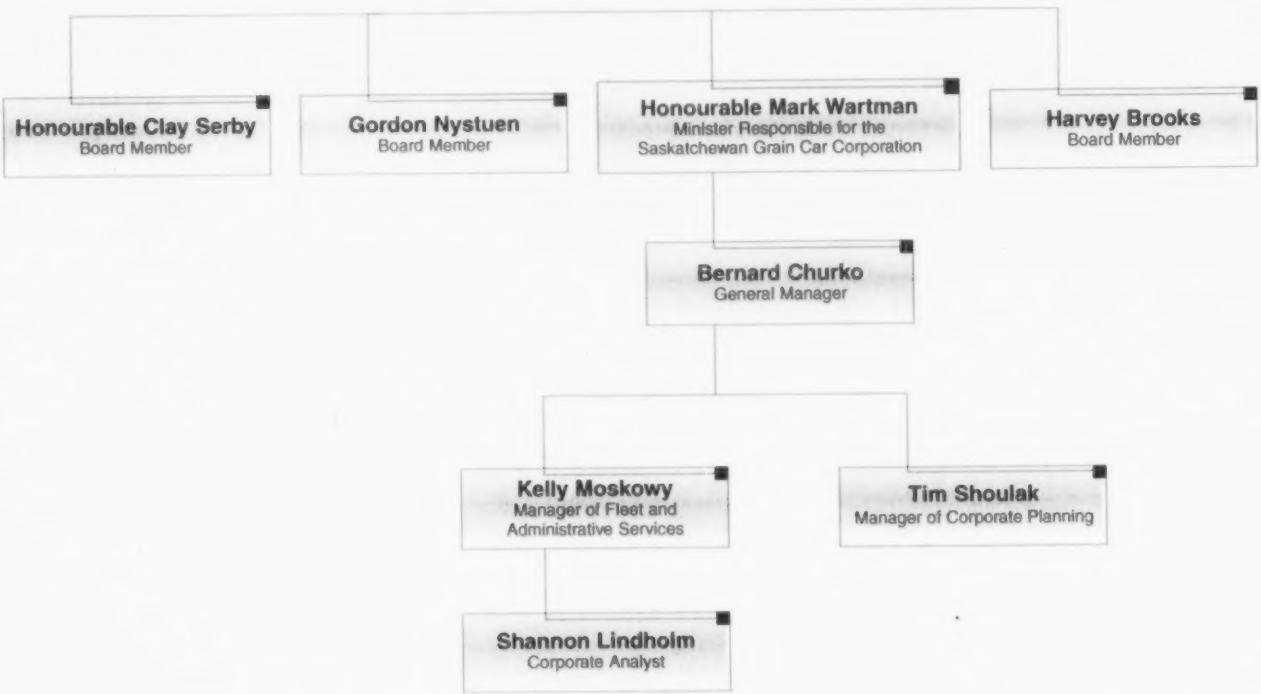
The provision of the Saskatchewan Grain Car Corporation cars in grain service assists the grain industry in meeting its export targets with statutory grain service, and with the movement of grain from country origins across the prairies to inland destinations throughout Canada, the United States, and Mexico with commercial or alternate use grain movements.

Mission

"To maximize the economic benefits to Saskatchewan agriculture as a first priority, other Saskatchewan industries as a second priority, and the province in general, through the effective and efficient use of its resources."

Organization Chart

as of July 31, 2003



Corporate Report

Management of the Hopper Car Fleet

The Saskatchewan Grain Car Corporation (SGCC) remains dedicated to managing its 951 steel covered hopper cars in an effective and efficient manner, ensuring the maximum economic benefits for agriculture, industry, and the province of Saskatchewan.

The SGCC's core focus is ensuring that Saskatchewan agricultural commodities are transported from farm to port and to domestic destinations throughout Canada, the United States and Mexico. Revenue generation either from non-statutory grain or non grain products during off peak periods is a secondary priority.

Alternate use revenues reached an all time high in the 2002/03 fiscal year. As a result of the over abundance of hopper cars in the market place, management worked with the railways to ensure maximum utilization of the SGCC hopper car fleet in alternate use. One of the main reasons for the record alternate use revenues in the 2002/03 fiscal year was an agreement signed with CPR to transport potash during a down period of grain movements.

Over the course of the 2002/03 fiscal year management entered into extensive negotiations with CPR with the intent of entering into a creative partnership that would protect the primary reason for the cars (i.e. capacity to move grain) but allow CPR the flexibility to use cars to generate revenue in other bulk movements when not required for grain movements.

During these negotiations SGCC management also emphasized its desire to enter into a full service lease agreement with CPR. Currently the SGCC and CPR operate under a net service lease environment in which the railway companies are responsible for the maintenance of the fleet. Since the Corporation's inception in 1981 the cars have been maintained primarily by CN and CPR at company owned repair facilities outside of Saskatchewan. The existing net service lease agreement states: "the railways shall give preference, to maintaining the cars at shops in Saskatchewan, when it is reasonably practical to do so", however a report commissioned by the SGCC in the mid 90's shows that well less that 10% of SGCC cars are maintained in Saskatchewan.

By entering into a full service lease arrangement and charging the railways a lease fee for the cost of maintenance, SGCC will ensure that these jobs will occur in Saskatchewan with no net cost to SGCC or producers. This switch to a full service lease will allow Corporation management to introduce modern asset management principles and ensure maintenance is completed primarily within the province at existing private railcar repair facilities instead of the existing situation in which maintenance usually occurs in Ontario and British Columbia.

Similar negotiations with CN are anticipated in the coming year.

Other Grain Handling and Transportation Initiatives

In the 2002/03 crop year, SGCC was involved in many exciting initiatives and projects demonstrating its strong support for western Canadian transportation and grain handling issues. Some of the initiatives undertaken by the SGCC in the 2002/03 year included:

- Continuing to work with the Farmer Rail Car Coalition Inc. (FRCC) in its efforts to obtain ownership of the Federal government's fleet of hopper cars on behalf of western Canadian farmers;
- Supporting the efforts of West Central Road & Rail Ltd. (WCRR) and other producer car loading facilities and individual producer car loaders in their effort to maintain local grain delivery points;
- Provide educational information to producers and producer groups by sponsoring a Producer Car Loading Seminar, and;
- The SGCC also focused a great deal of effort and resources defending Western farmers from the countervailing duty and dumping allegations made by USA wheat producers.

Farmer Acquisition of the Federal Hopper Car Fleet

The Corporation remains closely involved with the FRCC and their efforts to acquire the federal hopper car fleet. The Corporation has acted as a technical advisor to the FRCC for the past seven years, providing both technical and financial support. In June 2002, the SGCC committed up to $450,000 of cash and in-kind technical support to the FRCC and an agreement was signed for the funding in October 2002. As of July 31, 2003, the FRCC has utilized a total of $355,613; $263,314 in cash contributions and $92,299 in-kind technical assistance. SGCC's staff were very involved in the preparation of the FRCC's Business Plan and Financial Plan. SGCC continues to be committed to this initiative and remains optimistic that a positive outcome for Canadian farmers will be seen in the coming year.

Grain Logistics

As a member of the WCRR Board of Directors, SGCC remains supportive of and involved in their day-to-day operations, new projects and initiatives. In the 2002/03 crop year, WCRR opened a new facility at Laporte, SK. Although in 2002 the devastating drought virtually eliminated production in the Eston and Laporte areas, the facilities did manage to ship a combined total of 17,500 tonnes. After a successful share offering in June of 2003, construction began on two new facilities in the Beachy and Lucky Lake areas. Construction of these facilities will be phased in over a longer period of time. The first phase will permit grain to be loaded directly into hopper cars using the new loading facilities. Permanent bin storage will be constructed at a later date. The two modified facilities are expected to be operational in late September or early October 2003.

2002/2003 Key Activities

Management of the SGCC Fleet

- *Initiated negotiations with CN and CPR in consideration of signing new Operating Agreements. SGCC is currently in negotiations with the railways for full-service leases, which would mean that SGCC would be responsible for maintenance of the hopper car fleet. At this time, SGCC is considering a few different approaches in managing the maintenance and has spoken with various hopper car maintenance providers.*
- *Signed a short-term agreement with CPR to haul potash on a fee per month basis.*
- *Initiated negotiations with CPR and CNR related to upgrading the hopper car fleet to 286,000 lbs GRL (Gross Rail Load).*
- *Fatigue cracking has been identified on the SGCC Fleet. A patch has been designed to repair the problem. SGCC plans to tender out the repair in the 2003/04 fiscal year.*

Farmer Rail Car Coalition Inc. (FRCC)

- *Financial assistance and technical advisory services provided in the preparation of the Business Plan and Financial Plan.*
- *$355,613 in total assistance; financial assistance of $263,314 and in-kind technical advisory services of $92,299.*
- *Financial accounting services provide to the FRCC as part of the in-kind contributions.*

West Central Road & Rail Ltd. (WCRR)

- *Continued involvement as a Board Member.*
- *New facility opened near Laporte, SK in fall 2002.*
- *Construction commenced on two modified facilities in the Beachy/Lucky Lake areas.*
- *Investigated various strategies for making available the new business processes to farm groups throughout Saskatchewan*

Producer Involvement

- *Co-sponsored a Producer Car Loading Seminar in April of 2003.*
- *Continued to provide support to various producers and producer groups on issues such as producer car loading, rail line abandonment and centralization of grain systems throughout the province.*

Countervailing Duty Case

- *Member of the committee providing information for the countervailing duty.*
- *0.35% countervailing duty was imposed on the provision of government owned hopper cars.*
- *SGCC is awaiting final determination regarding injury, which is expected in early October.*

Producer Car Conference

SGCC, in conjunction with Saskatchewan Association of Rural Municipalities (SARM) and Saskatchewan Urban Municipalities Association (SUMA), planned and hosted a second Producer Car Loading Seminar in Saskatoon in April of 2003. The seminar focused on educating producers and producer groups on the benefits, potential risks and the various partners involved in producer car loading. SGCC was pleased with the attendance at the conference and will continue to provide assistance to producers in the area of producer car loading.

U.S. Countervail on Wheat

On September 13, 2002, the North Dakota Wheat Commission (NDWC) and the U.S. Durum Growers Association (USDGA) filed petitions seeking anti-dumping and countervailing duties on imports of both durum and hard red spring wheat from Canada. As part of their petition, the NDWC and the USDGA alleged that the SGCC provided hopper cars for the transportation of agricultural commodities into the USA at less than full market value and that this represented a countervailable subsidy. A committee was formed with representation from: the SGCC; the Departments of Justice; Government Relations and Aboriginal Affairs; Highways and Transportation; and Agriculture, Food and Rural Revitalization, to coordinate the government's efforts to oppose these allegations. This committee contracted legal council in the USA to defend against these allegations. As a member of the committee, SGCC was responsible for providing background information for legal council with respect to USA hopper car movements and fees charged for these services. The Department of Commerce in the USA found that the provision of government owned hopper cars constituted a countervailable subsidy and imposed a 0.35% countervailing duty on the practice. The US International Trade Commission is expected to have a final determination regarding injury in early October 2003. SGCC will continue to make every effort to oppose the imposition of a countervailing duty on Saskatchewan agricultural exports.

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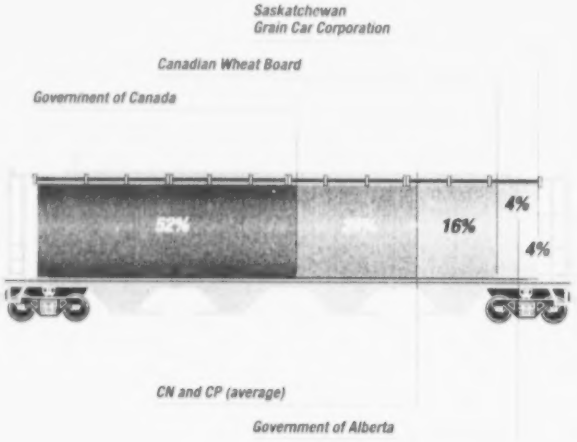


Canada's grain transportation system has 25,000 cars in service on average

Operations Overview

2002/03 Operations Highlights

- *Operating agreement covered 74.8% of all car movements*
- *454 hopper cars on CN Lines*
- *497 hopper cars on CPR Lines*
- *2 hopper cars destroyed*
- *49 hopper cars destroyed to date*
- *7,739 hopper car movements (651,370 tonnes)*
- *Decline of 17.3% in movements from 2001/02*
- *18.3% decline in total tonnage from 2001/02*

The 2002/03 fiscal year has proven to be another year of challenges for the Saskatchewan Grain Car Corporation (SGCC). For the second consecutive year, grain production in Western Canada has been dramatically reduced as a result of severe drought conditions. Grain volumes have dropped significantly, affecting both statutory and commercial use of the hopper car fleet.

The Corporation's management team worked with the railways to ensure that the SGCC hopper car fleet was being utilized to full capacity. An agreement to transport potash was signed with Canadian Pacific Railway (CPR) during a period when the SGCC fleet would otherwise have been parked. The contract helped to boost SGCC's commercial revenues to an all time high.

Management's use of a computerized car tracking system to monitor the day-to-day movements of the fleet enabled them to identify such things as inactive cars, bad orders and determining the origin and destination of movements for billing purposes. This system was instrumental in identifying the under-utilization of the hopper cars assigned to CPR, which in turn lead to negotiating a potash contract.

Statutory grain movements are those movements that originate in Western Canada and are destined for export through port facilities in Thunder Bay, Churchill, Prince Rupert and Vancouver. Under the 1981 Operating Agreement between SGCC, the Canadian Wheat Board (CWB) and the two major railways, Canadian National Railway (CN) and Canadian Pacific Railway (CPR) the SGCC provides its hopper cars free of charge for all statutory grain movements. All grain movements destined to the USA and Mexico or to non-export points in Canada are subject to full commercial lease rates for the use of the SGCC hopper cars. Statutory grain service in the 2002/03 crop year accounted for 74.8% of all the SGCC's car movements while commercial/alternate use movements made up the remaining 25.2%. Statistical data has been been provided by the CWB for the analysis of the SGCC statutory and commercial grain movements.

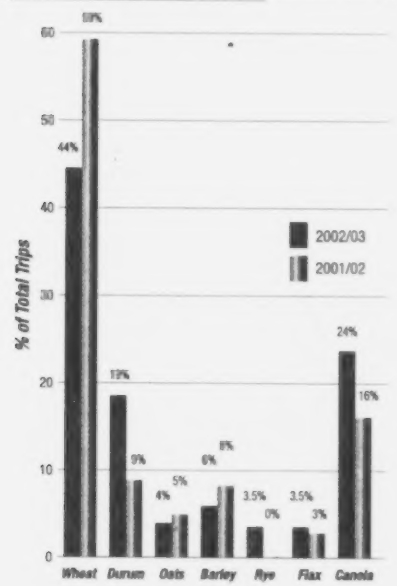
Summary of all grain (Statutory and Commercial) movements in SGCC cars

	2002/2003		2001/2002	
Commodity	Total Trips	Tonnes	Total Trips	Tonnes
Wheat	3,440	305,338	5,541	491,855
Durum	1,432	128,389	828	74,070
Oats	305	22,861	455	33,703
Barley	456	35,435	771	62,194
Rye	3	225	6	450
Flax	270	20,249	259	19,399
Canola	1,833	138,873	1,505	115,200
Total	7,739	651,370	9,365	796,871

Each railway has an assigned percentage of the Corporation's hopper car fleet, which on a bi-annual basis can be adjusted based on total tonnes handled by each railway in the most recent five year period. There was no reallocation of hopper cars between the railways in the 2002/03 crop year. The number of hopper cars assigned to CN and CPR at the beginning of the 2002/03 crop year was 455 and 498, respectively. As a result of derailments, each of the railways had one destroyed car during the 2002/03 crop year. Since 1981, 49 hopper cars have been destroyed. A detailed summary of the destroyed cars is found on page 26 of this report. SGCC and the railways have accepted the Association of American Railroads (AAR) guidelines for compensation of the destroyed hopper cars. The responsible railway is required to compensate the SGCC based on these guidelines. Any reimbursements SGCC receives for the destroyed hopper cars is placed into a reserve fund, to be used for the future replacement of hopper cars.

Grain movement totals for the 2002/03 crop year were 7,739 carloads (651,370 tonnes). This is based on information provided by the Canadian Wheat Board on the six major grains. This is a decline in carloads of 17.4% and in tonnage of 18.3% from the 2001-02-crop year.

Summary of all grain (Statutory and Commercial) movements in SGCC cars 2002/03-2001/02



Statutory Grain Service

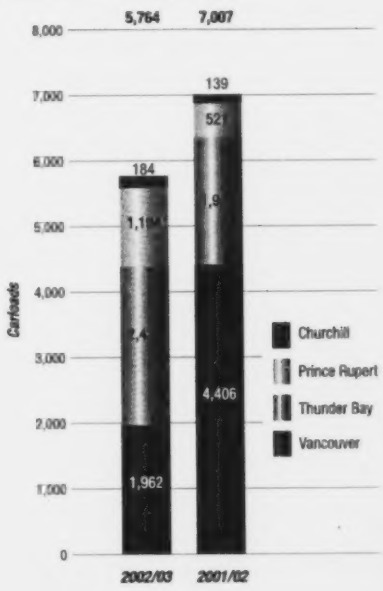
Statutory grain service declined in the 2002/03 crop year. CWB statistics reported total statutory movements of 5,785 car loads as compared to 7,007 car loads in 2001/02. This is a 17.4% decline in statutory movements of the six major grains from the previous crop year. Statutory grain service remains the main service for the SGCC fleet, with 74.8% of all the movements. This is unchanged from the 2001/02 crop year.

Statutory movements are allowed under the original 1981 Operating Agreement between the SGCC, CN, CPR and CWB in which the rail companies are allowed to use the Corporation's cars free of charge to move the six major grains from the Prairie Provinces to port for export. The six major grains covered under the original 1981 agreement included: Wheat/Durum, Oats, Barley, Rye, Flax, and Canola. As the agricultural sector has diversified and evolved this list was expanded and now includes approximately 60-grain crops or products as listed under Schedule II of the *Canada Transportation Act*. Movements of these Schedule II commodities, to western Canadian ports for export, are considered statutory movements and the railways are allowed to use SGCC hopper cars at no charge.

2002/03 Statutory Service Highlights

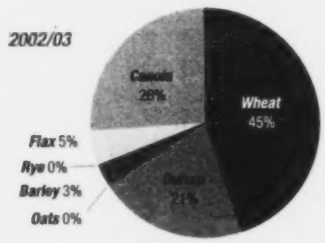
- *74.8% of all movements were statutory movements*
- *1,222 fewer movements*
- *17.4% decrease in movements and 18.1% decrease in tonnage*
- *5,785 hopper car movements (490,959 tonnes)*
- *45.2% of all statutory movements are wheat, this has dropped by just over 17% from last year*

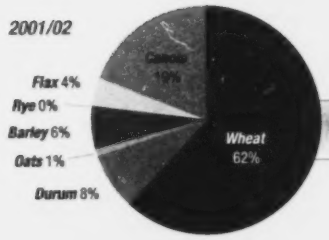
Statutory Grain Services-Destinations 2002/03-2001/02



Summary of all grain Statutory movements in SGCC cars

Commodity	2002/2003 Total Trips	2002/2003 Tonnes	2001/2002 Total Trips	2001/2002 Tonnes
Wheat	2,615	233,450	4,378	389,523
Durum	1,204	107,820	533	47,602
Oats	6	436	65	4,453
Barley	168	13,457	415	34,534
Rye	0	0	0	0
Flax	268	20,098	257	19,249
Canola	1,524	115,698	1,359	104,250
Total	5,785	490,959	7,007	599,611





Major Grains carried to port 2002/03 - 2001/02

2002/03 Alternate Use/ Commercial Service Highlights

- *Record alternate use revenues of $1.316 Million*
- *26.8% increase in revenue from 2001/02*
- *Decrease of 404 commercial movements*
- *1,954 hopper car movements (160,410 tonnes)*
- *$268,200 in total potash revenues*
- *$67,286 of revenue from movements to Mexico*

Alternate Use/Commercial Service

Alternate use revenues reached a record high in the 2002/03 crop year despite the poor crop year and soft hopper car leasing market. The 2002/03 alternate use revenues are $1.316 million dollars. This is an increase of over $277,000 from 2001/02.

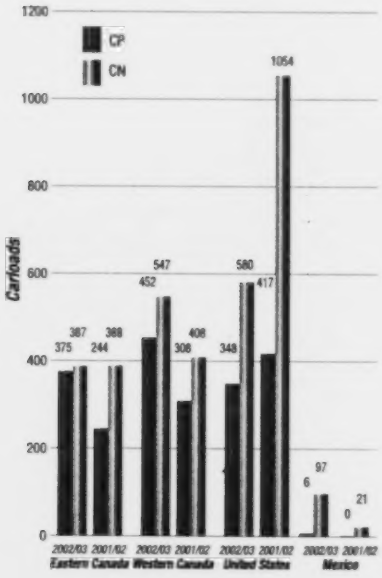
Although revenues increased in 2002/03, the number of alternate use movements related to the six major grains did not. Movements declined by 404 car loads from 2001/02, a 17.1% decline. The alternate use movements remained at 25.2% of all CWB reported statutory and commercial movements.

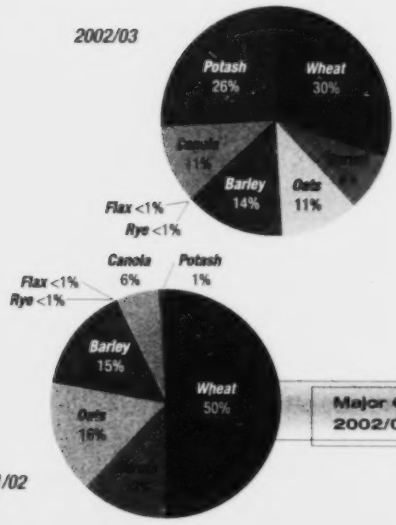
Alternate use movements are those outside the parameters of the 1981 Operating Agreement. The Corporation has formal alternate use agreements signed with CN and CPR for the railways to transport commodities domestically on a fee for service basis. The majority of the movements are for the carriage of the six major grains to domestic destinations throughout Canada, the United States and Mexico.

In 2002/03, there were 103 trips to Mexico resulting in $67,286 in revenue for the Corporation. The majority of the trips to Mexico were cars assigned to CN. In past years, the numbers were not significant enough to split from the United States movements. Two non-grain commodities that are transported in the SGCC hopper car fleet are potash and phosphate rock. Potash movements have proven to be very lucrative for the Corporation in 2002/03. In February of the 2002/03 crop year, a short-term agreement was signed with CPR to utilize the hopper car fleet to transport potash throughout North America. The contract resulted in $253,020 of revenue for the Corporation. The contract was based on a monthly lease fee for the hopper cars. At the high point 299 hopper cars were being utilized to haul potash. CN continued to utilize the fleet to move potash in the 2002/03 year, with 41 potash movements resulting in $15,181 of alternate use revenue. This is an increase of 27 movements and $8,551 of revenue from last year. In the past, CN has utilized the hopper car fleet to transport phosphate rock from Vancouver to the Agrium's fertilizer facility in Beamer, AB. Unfortunately for SGCC; CN is no longer transporting phosphate rock from the west coast.

The first priority of the Corporation's management is to provide the hopper cars for grain service. Secondly, it is important for management to continue to explore new markets for the hopper car fleet during downtime and lower grain production crop years.

Statutory Grain Services- Destinations 2002/03-2001/02





Major Commodities carried — Alternate Use 2002/03 - 2001/02

Summary of all grain Commercial movements in SGCC cars

	2002/2003		2001/2002	
Commodity	Total Trips	Tonnes	Total Trips	Tonnes
Wheat	825	71,888	1,163	102,332
Durum	228	20,569	295	26,468
Oats	299	22,425	390	29,250
Barley	288	21,978	356	27,660
Rye	3	225	6	450
Flax	2	150	2	150
Canola	309	23,175	146	10,950
Total	1,954	160,410	2,358	197,260

Statutory Grain Service

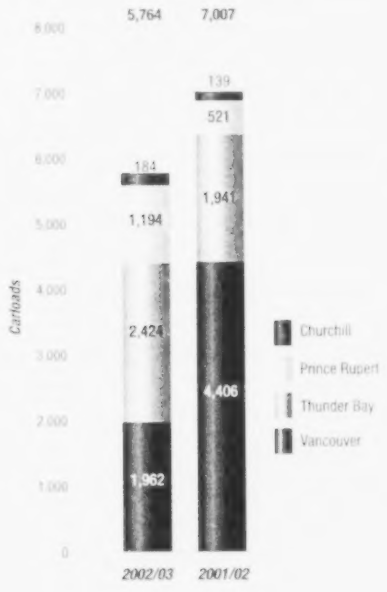
Statutory grain service declined in the 2002/03 crop year. CWB statistics reported total statutory movements of 5,785 car loads as compared to 7,007 car loads in 2001/02. This is a 17.4% decline in statutory movements of the six major grains from the previous crop year. Statutory grain service remains the main service for the SGCC fleet, with 74.8% of all the movements. This is unchanged from the 2001/02 crop year.

Statutory movements are allowed under the original 1981 Operating Agreement between the SGCC, CN, CPR and CWB in which the rail companies are allowed to use the Corporation's cars free of charge to move the six major grains from the Prairie Provinces to port for export. The six major grains covered under the original 1981 agreement included: Wheat/Durum, Oats, Barley, Rye, Flax, and Canola. As the agricultural sector has diversified and evolved this list was expanded and now includes approximately 60-grain crops or products as listed under Schedule II of the *Canada Transportation Act*. Movements of these Schedule II commodities, to western Canadian ports for export, are considered statutory movements and the railways are allowed to use SGCC hopper cars at no charge.

2002/03 Statutory Service Highlights

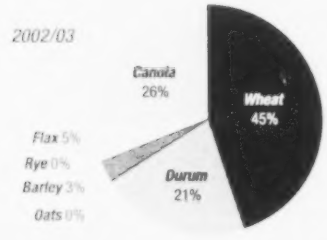
- *74.8% of all movements were statutory movements*
- *1,222 fewer movements*
- *17.4% decrease in movements and 18.1% decrease in tonnage*
- *5,785 hopper car movements (490,959 tonnes)*
- *45.2% of all statutory movements are wheat, this has dropped by just over 17% from last year*

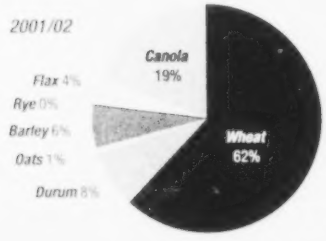
Statutory Grain Services-Destinations 2002/03-2001/02



Summary of all grain Statutory movements in SGCC cars

	2002/2003		2001/2002	
Commodity	*Total Trips*	*Tonnes*	*Total Trips*	*Tonnes*
Wheat	2,615	233,450	4,378	389,523
Durum	1,204	107,820	533	47,602
Oats	6	436	65	4,453
Barley	168	13,457	415	34,534
Rye	0	0	0	0
Flax	268	20,098	257	19,249
Canola	1,524	115,698	1,359	104,250
Total	5,785	490,959	7,007	599,611





Major Grains carried to port
2002/03 - 2001/02

2002/03 Alternate Use/ Commercial Service Highlights

- *Record alternate use revenues of $1.316 Million*
- *26.8% increase in revenue from 2001/02*
- *Decrease of 404 commercial movements*
- *1,954 hopper car movements (160,410 tonnes)*
- *$268,200 in total potash revenues*
- *$67,286 of revenue from movements to Mexico*

Alternate Use/Commercial Service

Alternate use revenues reached a record high in the 2002/03 crop year despite the poor crop year and soft hopper car leasing market. The 2002/03 alternate use revenues are $1.316 million dollars. This is an increase of over $277,000 from 2001/02.

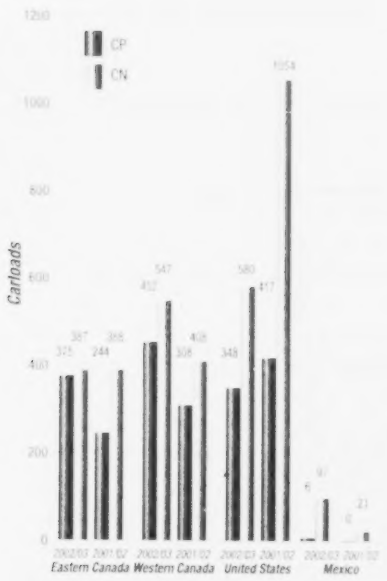
Although revenues increased in 2002/03, the number of alternate use movements related to the six major grains did not. Movements declined by 404 car loads from 2001/02, a 17.1% decline. The alternate use movements remained at 25.2% of all CWB reported statutory and commercial movements.

Alternate use movements are those outside the parameters of the 1981 Operating Agreement. The Corporation has formal alternate use agreements signed with CN and CPR for the railways to transport commodities domestically on a fee for service basis. The majority of the movements are for the carriage of the six major grains to domestic destinations throughout Canada, the United States and Mexico.

In 2002/03, there were 103 trips to Mexico resulting in $67,286 in revenue for the Corporation. The majority of the trips to Mexico were cars assigned to CN. In past years, the numbers were not significant enough to split from the United States movements. Two non-grain commodities that are transported in the SGCC hopper car fleet are potash and phosphate rock. Potash movements have proven to be very lucrative for the Corporation in 2002/03. In February of the 2002/03 crop year, a short-term agreement was signed with CPR to utilize the hopper car fleet to transport potash throughout North America. The contract resulted in $253,020 of revenue for the Corporation. The contract was based on a monthly lease fee for the hopper cars. At the high point 299 hopper cars were being utilized to haul potash. CN continued to utilize the fleet to move potash in the 2002/03 year, with 41 potash movements resulting in $15,181 of alternate use revenue. This is an increase of 27 movements and $8,551 of revenue from last year. In the past, CN has utilized the hopper car fleet to transport phosphate rock from Vancouver to the Agrium's fertilizer facility in Beamer, AB. Unfortunately for SGCC, CN is no longer transporting phosphate rock from the west coast.

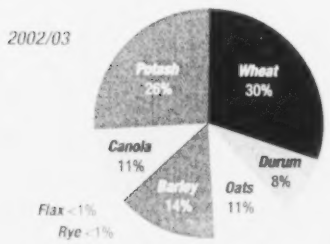
The first priority of the Corporation's management is to provide the hopper cars for grain service. Secondly, it is important for management to continue to explore new markets for the hopper car fleet during downtime and lower grain production crop years.

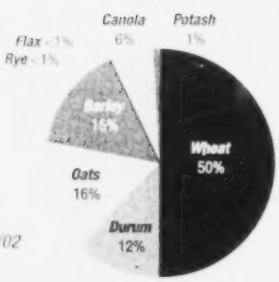
Statutory Grain Services- Destinations 2002/03-2001/02



Summary of all grain Commercial movements in SGCC cars

	2002/2003		2001/2002	
Commodity	Total Trips	Tonnes	Total Trips	Tonnes
Wheat	825	71,888	1,163	102,332
Durum	228	20,564	295	26,468
Oats	259	22,425	330	29,250
Barley	288	21,978	356	27,660
Rye	3	225	6	450
Flax	2	150	2	150
Canola	309	23,175	146	10,950
Total	1,954	160,410	2,368	197,260



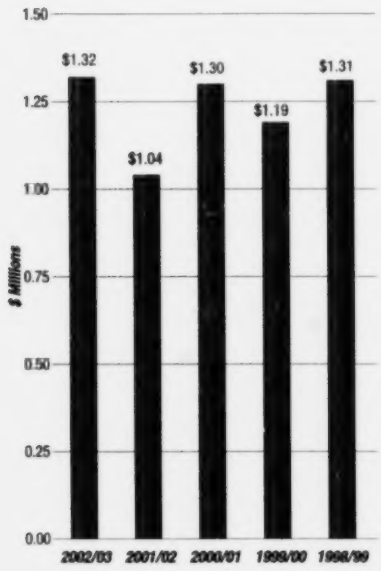


Major Commodities carried — Alternate Use 2002/03 - 2001/02

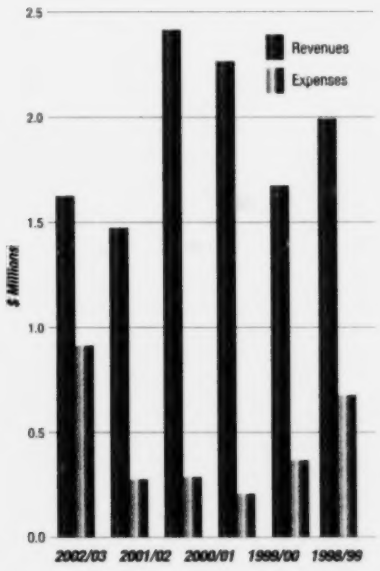
Financial Highlights

for the year ended July 31, 2003	*Budget*	*Actual*
Total Revenue	**$ 1,056,100**	**$ 1,624,379**
Car Leasing	800,000	1,315,865
Interest	111,100	158,600
Consulting Services	80,000	92,299
Destroyed cars	65,000	57,615
Total expenditure	**$ 976,500**	**$ 913,301**
Excess of Revenue over Expenditure	**$ 79,600**	**$ 711,078**
Total Assets		**$ 27,487,369**
Due from General Revenue Fund Operating		1,786,204
Investment in West Central Road & Rail Ltd.		407,349
Due from General Revenue Fund Reserve		2,262,740
Physical Assets Hopper Cars		23,031,076
Payments made to General Revenue Fund		**$ 11,000,000**

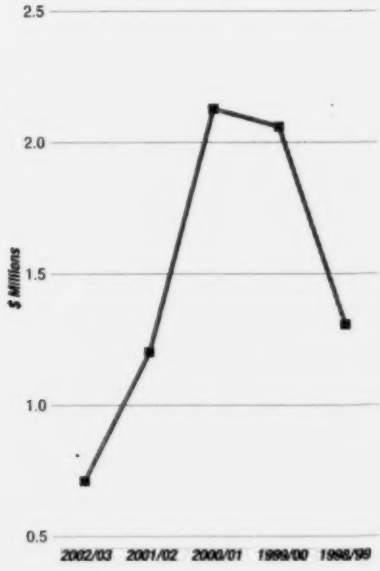
Commercial Service Revenues



Revenues - Expenditures

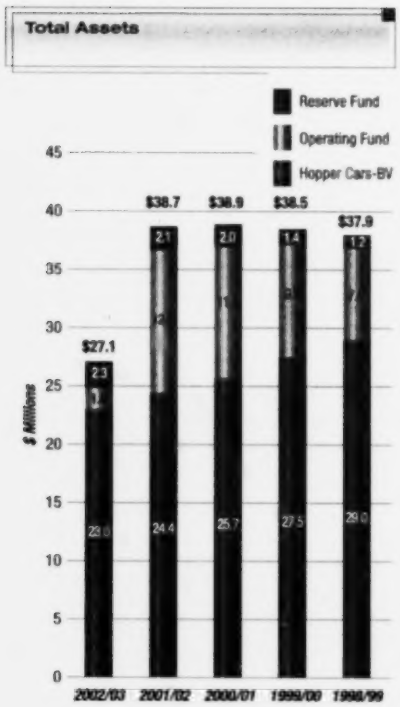


Excess of Revenues over Expenditures



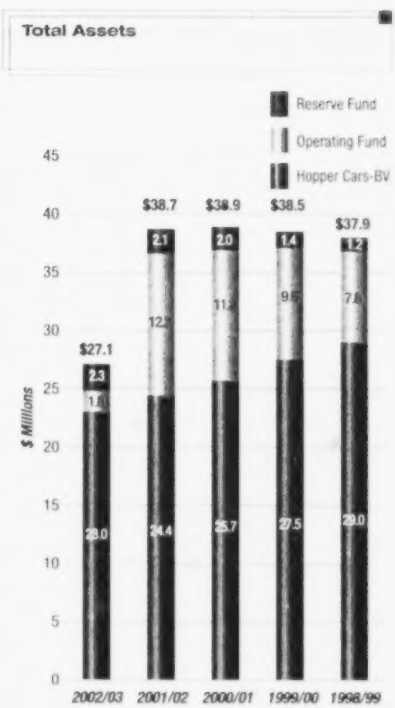
Financial Statements

2002/2003



Financial Statements

2002/2003



Management's Report

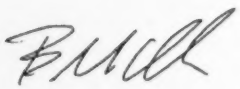
The accompanying financial statements have been prepared by management of the Saskatchewan Grain Car Corporation. These financial statements have been prepared in conformity with generally accepted accounting principles in Canada, consistently applied, using management's best estimates and judgement where appropriate. Management is responsible for the reliability and integrity of the Financial Statements and other information contained in the Annual Report.

The integrity of financial records from which these financial statements are prepared is largely dependent on the systems of internal accounting controls. The purpose of such systems is to provide reasonable assurance that transactions are executed in accordance with proper authorization, transactions are appropriately recorded in order to permit preparation of accurate financial statements and assets are properly accounted for and safeguarded against loss from unauthorized use. Underlying this concept of reasonable assurance is the fact that limitations exist in any system of internal accounting controls based on the premise that the cost of such controls should not exceed the benefits derived.

Management believes that the financial statements in this Annual Report present fairly the financial position of the Corporation for the year ending July 31, 2003.

The Board of Directors has fulfilled its responsibility with respect to the financial position of the Corporation by reviewing and approving the financial statements for the year ending July 31, 2003.

The financial statements have been audited by the Corporation's external auditors, Skilnick Besler Miller Moar & Co., Chartered Accountants, and approved by the Provincial Auditor.



Bernard Churko
General Manager
Regina, Saskatchewan

Auditors' Report

To the Members of the Legislative Assembly
Province of Saskatchewan

We have audited the statement of financial position of the Saskatchewan Grain Car Corporation as at July 31, 2003, and the statements of operations, net assets and cash flows for the year then ended. The corporation's management is responsible for preparing these financial statements for Treasury Board's approval. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. These standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at July 31, 2003 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Skilnick Besler Miller Moar & Co.

SKILNICK BESLER MILLER MOAR & CO.
Chartered Accountants

Melville, Saskatchewan
September 11, 2003

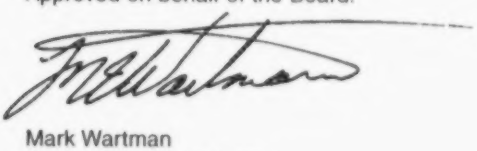
Statement of Financial Position

Statement 1

as at July 31, 2003	2003			2002
	Operating Fund	**Reserve Fund**	**Total**	**Total**
Assets				
Current Assets				
Cash	$ 12,377	$ *Nil*	$ 12,377	$ 34,886
Due from General Revenue Fund *(Note 4)*	957,248	2,256,982	3,214,230	13,747,290
Accounts receivable *(Note 6)*				
- accrued interest	2,367	5,758	8,125	29,814
- car leasing	475,344	*Nil*	475,344	143,657
- miscellaneous	*Nil*	*Nil*	*Nil*	34
Prepaid expenses	*Nil*	*Nil*	*Nil*	*Nil*
	$ 1,447,336	$ 2,262,740	$ 3,710,076	$ 13,955,681
Other Assets				
Investment in shares of West Central Road & Rail Ltd. *(Note 9)*	407,349	*Nil*	407,349	407,349
Total Assets	$ 1,854,685	$ 2,262,740	$ 4,117,425	$ 14,363,030
Liabilities and Net Assets				
Accounts payable *(Note 6)*	$ 30,552	$ *Nil*	$ 30,552	$ 12,462
Wage deductions payable	5,927	*Nil*	5,927	*Nil*
Goods and services taxes payable	32,002	*Nil*	32,002	12,702
Total liabilities	68,481	*Nil*	68,481	25,164
Net assets - Statement 3	1,786,204	2,262,740	4,048,944	14,337,866
Total liabilities and net assets	$ 1,854,685	$ 2,262,740	$ 4,117,425	$ 14,363,030
Investment in capital assets *(Note 7)*			$ 23,031,076	$ 24,370,372

See accompanying notes to financial statements

Approved on behalf of the Board:



Mark Wartman
Chairperson of the Board

Statement of Operations

Statement 2

for the year ended July 31, 2003

		2003			2002
	Budget	**Operating Fund**	**Reserve Fund**	**Total**	**Total** *(Note 11)*
Revenue					
Car leasing *(Note 2)*	$ 800,000	$ 1,315,865	$ *Nil*	$ 1,315,865	$ 1,037,918
Interest *(Notes 4 and 5)*	111,100	95,636	62,964	158,600	342,988
Consulting services	80,000	92,299	*Nil*	92,299	*Nil*
Compensation for destroyed grain cars *(Note 2)*	65,000	*Nil*	57,615	57,615	91,443
Total revenue	1,056,100	1,503,800	120,579	1,624,379	1,472,349
Expenditure					
Salaries and benefits *(Notes 5 and 8)*	371,000	373,250	*Nil*	373,250	198,752
Farmer Rail Car Coalition Funding *(Note 10)*	450,000	355,613	*Nil*	355,613	*Nil*
Travel and sustenance	22,000	31,571	*Nil*	31,571	22,736
Administration *(Schedule 1)*	133,500	152,867	*Nil*	152,867	53,934
Total expenditure	976,500	913,301	*Nil*	913,301	275,422
Excess of revenue over expenditure for the year	$ 79,600	$ 590,499	$ 120,579	$ 711,078	$ 1,196,927

See accompanying notes to financial statements

Statement of Net Assets

Statement 3

for the year ended July 31, 2003

	2003			2002
	Operating Fund	**Reserve Fund**	**Total**	**Total**
Net assets, beginning of year	$ 12,195,705	$ 2,142,161	$ 14,337,866	$ 13,140,939
Excess of revenue over expenditure for the year	590,499	120,579	711,078	1,196,927
	$ 12,786,204	$ 2,262,740	$ 15,048,944	$ 14,337,866
Dividends paid to General Revenue Fund	(11,000,000)	*Nil*	(11,000,000)	*Nil*
Net assets, end of year	$ 1,786,204	$ 2,262,740	$ 4,048,944	$ 14,337,866

See accompanying notes to financial statements

Statement of Cashflows

Statement 4

for the year ended July 31, 2003	*2003*	*2002*
Cash flows from operating activities		
Excess of revenue over expenditure for the year	$ 711,078	$ 1,196,927
Cash flows from non-cash working capital - see summary below	(266,647)	482,221
	444,431	1,679,148
Cash flows from investing activities		
Dividends paid to General Revenue Fund	(11,000,000)	*Nil*
	(11,000,000)	*Nil*
Decrease (increase) in cash and cash equivalents	(10,555,569)	1,679,148
Cash and cash equivalents, beginning of year	13,782,176	12,103,028
Cash and cash equivalents, end of year	$ 3,226,607	$13,782,176

Summary of cash and cash equivalents

Cash	$ 12,377	$ 34,886
Due from General Revenue Fund	3,214,230	13,747,290
	3,226,607	13,782,176

Summary of cash flows from non-cash working capital

(Increase) Decrease in Assets		
Accounts receivable	$ (309,964)	$ 515,131
Prepaid expenses	*Nil*	666
	(309,964)	515,797
Increase (Decrease) in Liabilities		
Accounts payable	18,090	(37,153)
Wages deductions payable	5,927	*Nil*
Goods and services taxes payable	19,300	3,577
	43,317	(33,576)
	$ (266,647)	$ 482,221

See accompanying notes to financial statements

Notes to Financial Statements

1. Status of the Corporation

The Saskatchewan Grain Car Corporation is a Provincial Crown Corporation established on October 2, 1979 by Order-in-Council 1787/79. The Corporation continues under the authority and provisions of *The Saskatchewan Grain Car Corporation Act.*

The Corporation's mission is to maximize the economic benefits to Saskatchewan agriculture as a first priority, other Saskatchewan industries as a second priority, and the Province in general, through the effective and efficient use of its resources.

2. Operating Agreement

The Corporation entered into an agreement dated February, 1981, with the Canadian National Railway Company, Canadian Pacific Limited, and The Canadian Wheat Board which allows the railways to lease the Corporation's cars free of charge for statutory grain service. Statutory grain service refers to the movement to port of 59–grain products as listed under Schedule II of the *Canada Transportation Act.*

With the approval of the Corporation, the railways may lease the Corporation's cars for commercial service, provided the cars are surplus to the requirements for statutory grain service. Commercial service includes the carriage of grain at non-regulated freight rates as well as the carriage of other bulk commodities, such as potash. The railways are required to pay an agreed leasing charge to the Corporation for these movements.

The railways are responsible for maintaining and repairing the Corporation's cars at their own expense in accordance with industry standards.

In the event that one of the Corporation's cars is damaged beyond economic repair, the railway responsible is required to compensate the Corporation for the value of the car in accordance with Rule 107 of the Interchange Rules Manual of the Association of American Railroads. The value is based on the current replacement value of the car and the age of the car. All amounts received from the railways as compensation for destroyed cars are placed in a reserve fund to be used for the purchase of new cars.

3. Significant accounting policies

The financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles.

The Corporation uses the accrual basis of accounting. Where the Corporation is the lessor, rental revenues from car operating leases is recognized as the service is provided to the lessee and collection is reasonably assured.

The investment in shares of West Central Road & Rail Ltd. is accounted for by the cost method with earnings reflected only to the extent of dividends received.

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

The financial records of the Corporation are segregated into two funds:

(i) *Operating Fund,* which records the operating revenues and expenditures of the Corporation; and

(ii) *Reserve Fund,* which records the compensation received from the railways for destroyed cars. All interest earned from cash balances is retained by the Reserve Fund.

4. Due from General Revenue Fund

Most of the Corporation's bank accounts are included in the Consolidated Offset Bank Concentration (COBC) arrangement for the Government of Saskatchewan. The Corporation's earned interest is calculated and paid by the General Revenue Fund on a quarterly basis into the Corporation's bank account using the Government's thirty day borrowing rate and the Corporation's average daily bank balance. The Government's average thirty day borrowing rate for 2002/2003 is 2.87% (2001/02 3.02%).

5. Related party transactions

These financial statements include transactions with related parties. The Corporation is related to all Saskatchewan Crown Agencies such as departments, corporations, boards and commissions under the common control of the Government of Saskatchewan. Also, the Corporation is related to non-crown enterprises that the Government jointly controls or significantly influences.

Routine operating transactions with related parties are recorded at the rate charged by those organizations and are settled on normal trade terms.

These transactions are as follows:

	2003	*2002*
Revenue		
Government of Saskatchewan (General Revenue Fund) – interest earnings	$ 158,600	$ 342,988
Expenditure		
Department of Highways and Transportation		
– General Manager services	$ 87,867	$ 34,784
– Fleet Manager services	$ 77,955	$ 77,293
Saskatchewan Property Management Corporation		
– Office rent	$ 15,749	$ 7,453
– Printing and copying	$ 243	$ *Nil*
– Office supplies	$ 27,188	$ 2,646
– Miscellaneous	$ 1,198	$ 129
Saskatchewan Telecommunications – Telecommunication services	$ 8,452	$ 6,604
Crown Investments Corporation (Capital Pension Plan) — Employee pension plan contributions	$ 7,326	$ 3,441
Workers' Compensation Board (Saskatchewan)	$ 1,896	$ 532

Other transactions with related parties and amounts due to/from them are described separately in the financial statements and the notes thereto.

6. Financial instruments

Significant terms and conditions
There are no significant terms and conditions related to financial instruments classified as current assets or current liabilities that may affect the amount, timing or certainty of future cash flows.

Credit risk
The Corporation is exposed to credit risk from the potential non-payment of accounts receivable. The Corporation's receivables consist of amounts due from Canadian National Railway Company, Canadian Pacific Limited and accrued interest on funds invested by the Provincial Government. The credit risk on collection of the receivable balance is minimal.

Fair value
The carrying amount of cash, due from General Revenue Fund, accounts receivable and accounts payable approximate fair market value due to their immediate or short term nature.

7. Investment in capital assets

In 1992, the Corporation wrote off its capital assets consisting entirely of hopper cars due to the inability to project with reasonable certainty, the possible future net cash flows from usage. The following is provided for information purposes.

The Corporation purchased 1,000 covered hopper cars in 1981 at a cost of $54,214,423. As of July 31, 2003, 49 cars have been destroyed; the remaining 951 cars are in service.

The investment in the hopper cars is amortized on a straight line basis over an expected useful life of 40 years.

as at July 31	*2003*			*2002*		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Rolling stock	$ 51,554,980	$ 28,523,904	$ 23,031,076	$ 51,663,028	$ 27,292,656	$ 24,370,372

	2003	*2002*
Amortization	$ 1,289,325	$ 1,292,701
Less: Gain on disposals	(7,642)	(12,416)
Net for the year	$ 1,281,683	$ 1,280,285

8. Pension plan

The Corporation participates in a defined contribution pension plan for the benefit of its employees. The Corporation's financial obligation to the Capital Pension Plan is limited to making regular payments to match the amounts contributed by employees for current service. The Corporation's annual pension expense for 2003 amounted to $7,326. (2002 $3,441).

9. Investment in shares of West Central Road & Rail Ltd.

The Corporation owns 4,000 Class "E" shares of the capital stock of West Central Road & Rail Ltd. This equity investment represents the corporation's commitment to support the Research and Development aspects of Phase II (the demonstration phase) of the Grain Logistics Pilot Project. Phase II of the Pilot Project is intended to provide complete logistical services from farm-gate to port in the case of export movements, and farm-gate to commercial processing facility in the case of movements to domestic destinations throughout North America.

The Class "E" shares are transferable, non-voting except for the entitlement to elect 2 of 13 directors and participate equally in dividends and the distribution of assets on liquidation or wind-up. After June 28, 2006, the issuer may repurchase or the Corporation may retract a minimum of 1,000 shares at their fair market value as established by an independent appraiser.

The carrying value of this investment approximates fair market value.

10. Farmer Rail Car Coalition Agreement

The Corporation has signed an agreement on October 16, 2002 with the Farmer Rail Car Coalition (FRCC) to contribute up to $450,000 in cash and/or in kind contributions to support the research and development by the FRCC of a proposal by the FRCC to purchase on behalf of Western Canadian Farmers the Federal Fleet of approximately 13,000 rail hopper cars. Total contributions to date are $355,613 consisting of $263,314 in cash and $92,299 in kind.

The FRCC shall repay the full amount (including the value of in kind contributions) plus interest at Royal Bank prime plus one percent from the time of payment, to the Corporation if the FRCC is successful in purchasing any portion of the Federal Fleet. Repayment will occur on the date of the first payment by the FRCC to Canada on account of the purchase price for the Federal Fleet.

Upon acquisition of any portion of the Federal Fleet by the FRCC, the FRCC shall negotiate in good faith with the Corporation for the purchase of the entire Corporation Fleet plus the other assets of the Corporation on the terms of the 1996 Agreement between her Majesty the Queen and the FRCC.

11. Comparative Amounts

Prior year comparative amounts have been reclassified to conform to current year presentation.

Schedule of Administrative Expenses

Schedule 1

for the year ended July 31, 2003	*2003* Budget	*2003*	*2002*
OPERATING FUND			
Advertising and promotion	$ 500	$ *Nil*	$ *Nil*
Bank charges	*Nil*	202	60
Computer equipment	10,000	7,397	6,432
Computer maintenance	1,000	1,272	254
Computer software	6,000	18,943	1,585
Conferences and professional development	*Nil*	*Nil*	*Nil*
Consulting services	50,000	36,192	7,852
Miscellaneous	1,000	877	3,864
Office equipment and supplies *(Note 5)*	1,000	37,257	3,689
Postage and courier *(Note 5)*	*Nil*	65	129
Printing and copying *(Note 5)*	5,000	8,221	8,798
Professional services	10,000	8,315	5,295
Rent – office space *(Note 5)*	39,000	15,831	8,119
Subscriptions and memberships	*Nil*	8,422	*Nil*
Telecommunications *(Note 5)*	10,000	9,873	7,857
Total – to Statement 2	$ 133,500	$ 152,867	$ 53,934

See accompanying notes to financial statements

Expenditure Disclosure

for the year ended July 31, 2003

Employee receiving payments totaling $2,500 or more for salaries or wages:

		2003		*2002*
Sandra Rathgeber	$	50,009	$	30,732
Tim Shoulak		68,854		31,830
Shannon Lindholm		46,265		12,969
Melissa Wolensky		7,239		*Nil*
Total	$	172,367	$	75,931

Suppliers/consultants receiving payments totaling $25,000 or more for goods and/or services:

		2003		*2002*
Farmer Rail Car Coalition	$	355,613	$	*Nil*
Total	$	355,613	$	*Nil*

Statistical Summary

Year *as of July 31, 2003*	Cars in Service			Cars Destroyed			Car Leasing Revenues	
	CN	CP	Total	CN	CP	Total		
1979/80	-	-	-	-	-	-	-	
1980/81	477	273	750	-	-	-	-	
1981/82	477	523	1,000	-	-	-	$ 56,294	
1982/83	477	523	1,000	-	-	-	$ 11,850	
1983/84	475	523	998	2	-	2	-	
1984/85	475	523	998	-	-	-	-	
1985/86	475	523	998	-	-	-	-	
1986/87	474	523	997	1	-	1	-	
1987/88	474	523	997	-	-	-	-	
1988/89	474	523	997	-	-	-	$ 1,099,441	
1989/90	474	523	997	-	-	-	$ 92,310	
1990/91	473	523	996	1	-	1	$ 146,343	
1991/92	473	522	995	-	1	1	$ 268,342	
1992/93	473	522	995	-	-	-	$ 326,047	
1993/94	472	522	994	1	-	1	$ 816,083	
1994/95	472	518	990	-	4	4	$ 628,807	
1995/96	470	514	984	2	4	6	$ 946,233	
1996/97	468	514	982	2	-	2	$ 991,526	
1997/98	468	509	977	-	5	5	$ 1,089,116	*(See note 1, page 27)*
1998/99	468	509	977	-	-	-	$ 1,305,593	
1999/00	464	508	972	4	1	5	$ 1,189,104	*(See note 2, page 27)*
2000/01	458	498	956	6	10	16	$ 1,304,835	
2001/02	455	498	953	3	-	3	$ 1,033,158	
2002/03	454	497	951	1	1	2	$ 1,315,865	
Total	454	497	951	23	26	49		

Notes to Statistical Summary

1. Revenue adjustments for 1997/98 fiscal year

Car leasing revenue recognized as per 1997/98 Financial Statement	$ 1,507,271
- Bad debt allowance as shown in 1997/98 Financial Statement	($ 160,000)
- Bad debt allowance as shown in 1998/99 Financial Statement	($ 53,543)
- Settlement recovery with CP for western Canada commercial moves form 1991 to 1997 realized in 1998/99	($ 204,612)
Car leasing revenue actually realized in 1997/98	$ 1,089,116

2. Revenue adjustments for 1999/00 fiscal year

Car leasing revenue recognized as per 1999/00 Financial Statement	$ 1,639,104
- Settlement recovery with CN for western Canada commercial moves form 1991 to 1997 realized in 1999/00	($ 450,000)
Car leasing revenue actually realized in 1999/00	$ 1,189,104

Notes

Corporate Information

Board of Directors

Honourable Mark Wartman
Chairman of the Board
Minister of Highways and Transportation
Minister Responsible for the
Saskatchewan Grain Car Corporation
(effective October 12, 2001)

Honourable Clay Serby
Vice-chairman of the Board
Minister of Agriculture, Food and Rural Revitalization
(effective May 27, 2003)

Harvey Brooks
Deputy Minister
Department of Highways and Transportation
(effective October 12, 2001)

Gord Nystuen
Deputy Minister
Department of Agriculture and Food
(effective January 16, 2001)

Management

Bernard Churko
General Manager
(effective June 22, 1993)

Kelly Moskowy
Manager of Fleet and Administrative Services
(effective October 1, 1998)

Tim Shoulak
Manager of Corporate Planning
(effective February 11, 2002)

Shannon Lindholm
Corporate Analyst
(effective August 1, 2002)

For additional information:

Saskatchewan Grain Car Corporation
810-1801 Hamilton St.
Regina, Saskatchewan
S4P 4B4

Telephone: (306) 787-9461
Facsimile: (306) 798-0931
email: sgcc@highways.gov.sk.ca

Bad Orders

A bad order is a car that had been deemed mechanically unfit for service.

Car Cycles

A car cycle is the time for a car to complete a trip from origin, to destination, and back to the next origin.

Commercial Service

Commercial service is defined, as the movement of any commodity not destined to port for export, or the movement of commodities to port not covered under Schedule II of the Canada Transportation Act. For these commercial movements the Corporation receives a lease fee.

Domestic and Export Markets

Canada, United States, and Mexico make up the domestic or North American market; the rest of the world is the export or offshore market.

Metric tonne

A metric tonne equals 2,204.6 pounds or 1000 kilograms, and is 10 percent larger that a 2000 pound short ton.

Phosphate Rock

Also known as phos. rock, this product is the main source of phosphoric acid for phosphate fertilizers and industrial products. A form of calcium phosphate, it also contains other materials.

Potash

Typically denotes materials containing potassium, particularly potassium fertilizer. Most fertilizer is muriate of potash (KCl), potassium chloride. Potassium combines with other minerals in specialty fertilizers.

Statutory Grain Service

Statutory grain service is the transportation of commodities which are moved port for export as defined in Schedule II of the Canada Transportation Act. Under the 1981 Operating Agreement between the Saskatchewan Grain Car Corporation, Canadian Wheat Board, CN Rail, and CP Rail, the Corporation allows CN and CP to use Corporation owned cars for the movement of Schedule II commodities to port facilities in western Canada at no cost to the railways.

Saskatchewan
Grain Car
Corporation